

Assumptions: Cash Spot, Concept 3

General Inputs

Opportunity Site Name	Cash Spot
Development Concept	3

Development types	No. Units	Average Unit Size	Total Net SF	Parking Ratios	No. Parking Spaces
Residential: For Rent	46	746	34,328	1.17	54
Retail/Commercial (NNN)	0	0	7,031	1.14	8
Office (FS)	0	0	0	0.00	0
Live/Work	0	0	0	0.00	0
Flex Space (NNN)	0	0	0	0.00	0
Total	46		41,359		62

Development types	Monthly Rent / SF	Monthly Rent / Unit	Annual Rent / SF	Annual Rent / Unit	Potential Gross Rev	Op Expense (% Rent)	Op Expense			Total Op Expense
							per unit / mo	Op Expense per SF / mo	Op Expense per SF / yr	
Residential: For Rent	\$1.40	\$1,045	\$16.80	\$12,540	\$576,840	32%	-\$336	-\$0.45	-\$5.40	-\$185,413
Retail/Commercial (NNN)	\$1.17		\$14.00		\$98,434	15%		-\$0.18	-\$2.10	-\$14,765
Office (FS)	\$1.25		\$15.00		\$0	53%		-\$0.67	-\$8.00	\$0
Live/Work	\$1.40	\$0	\$16.80	\$0.0	\$0	32%	\$0	-\$0.45	-\$5.40	\$0
Flex Space (NNN)	\$0.71		\$8.50		\$0	14%		-\$0.10	-\$1.20	\$0
Total					\$675,274					-\$200,178

Other Assumptions

Annual Increase in Potential Gross Rev	3%
Annual increase in operating expense	3%
Property Tax Rate	\$18.95
Changed Property Ratio	89.4%
Real Market Value	\$3,892,560

Changed Property Ratio

Use	CPR
Residential	89.4%
Com/Ind	90.4%
Multi-Family	80.7%

Parking Assumptions

	Spaces	SF	SF/Space
Structured	0	0	0
Tuck	75	19,463	260
Surface	0	0	0
Total	75	19,463	

Uses of funds: Cash Spot, Concept 3

Costs	Total	Per SF	# GSF	Notes
<i>Hard Costs</i>				
Site Acquisition	\$357,000	\$0.00	34,326	SF of site
Construction - Residential	\$5,250,050	\$130.00	40,385	gross SF of building
Construction - Retail / Commercial	\$868,560	\$105.00	8,272	
Building Skin	\$0	\$35.00	0	Façade SF
Landscaping	\$61,788	\$6.00	10,298	Landscaping
TI Allowance - Office	\$0	\$45.00	0	Net SF
TI Allowance - Retail	\$246,085	\$35.00	7,031	Net SF
Parking - Tuck Under	\$681,205	\$35.00	19,463	
Frontage Improvements / PARs	\$1,000,000			
Hard Cost Contingency	\$608,077	\$12.50	48,657	7.5% other hard costs
Subtotal	\$9,072,765	\$186.46	48,657	
<i>Soft Costs</i>				
Total Soft Costs	\$635,094	\$13.05	48,657	7.0% of hard costs
General Soft Costs	\$362,911	\$7.46	48,657	4.0% - Legal fees, other consultants
Financing Fees	\$90,728	\$1.86	48,657	1.0% of hard costs
City Fees and Permits	\$92,589	\$1.90	48,657	
SDCs	\$500,000	\$10.28	48,657	
Developer Fee	\$453,638	\$9.32	48,657	5.0% of hard costs
FF&E	\$0	\$0.00	48,657	
Soft Cost Contingency	\$160,122	\$3.29	48,657	7.5% of soft costs
Subtotal	\$2,295,082	\$47.17	48,657	25.3%
Total Cost	\$11,367,847	\$233.63	48,657	

Loan Details: Cash Spot, Concept 3

Source No.	Type	Loan						
		Amount	Amortization (Years)	Loan Term (Years)	Interest Rate (Annual)	Payment (Annual)	Payment (Monthly)	Payments (Total)
Source 1	Equity	\$3,410,354	0	0	0%	N/A	N/A	N/A
Source 2	Bank Loan	\$7,957,493	25	25	6%	\$615,240	\$51,270	\$15,381,000
Source 3	EB-5	\$0	1	1	5%	\$0	\$0	\$0
Source 4	Other 1	\$0	1	1	5%	\$0	\$0	\$0
Source 5	Other 2	\$0	1.5	1.5	5%	\$0	\$0	\$0
Total		\$11,367,847						
		\$0						
Total Equity		\$3,410,354						
Total Financing		\$7,957,493						
Loan to Value Ratio		70%						

Annual Debt Service: Cash Spot, Concept 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Source 1 Equity										
Interest Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Beginning Balance	\$ 3,410,354	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Payment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Source 2 Bank Loan										
Interest Rate	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Beginning Balance	\$ 7,957,493	\$ 7,812,454	\$ 7,658,712	\$ 7,495,746	\$ 7,323,002	\$ 7,139,893	\$ 6,945,798	\$ 6,740,057	\$ 6,521,971	\$ 6,290,800
Total Payment	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)
Principal	\$ (145,039)	\$ (153,742)	\$ (162,966)	\$ (172,744)	\$ (183,109)	\$ (194,095)	\$ (205,741)	\$ (218,086)	\$ (231,171)	\$ (245,041)
Interest	\$ (477,450)	\$ (468,747)	\$ (459,523)	\$ (449,745)	\$ (439,380)	\$ (428,394)	\$ (416,748)	\$ (404,403)	\$ (391,318)	\$ (377,448)
Ending Balance	\$ 7,812,454	\$ 7,658,712	\$ 7,495,746	\$ 7,323,002	\$ 7,139,893	\$ 6,945,798	\$ 6,740,057	\$ 6,521,971	\$ 6,290,800	\$ 6,045,759
Source 3 EB-5										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Source 4 Other 1										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Source 5 Other 2										
Interest Rate	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Beginning Balance	\$ -									
Total Payment										
Principal										
Interest										
Ending Balance										
Total All Sources										
Interest Rate	4.20%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Beginning Balance	\$ 11,367,847	\$ 7,812,454	\$ 7,658,712	\$ 7,495,746	\$ 7,323,002	\$ 7,139,893	\$ 6,945,798	\$ 6,740,057	\$ 6,521,971	\$ 6,290,800
Total Payment	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)
Principal	\$ (145,039)	\$ (153,742)	\$ (162,966)	\$ (172,744)	\$ (183,109)	\$ (194,095)	\$ (205,741)	\$ (218,086)	\$ (231,171)	\$ (245,041)
Interest	\$ (477,450)	\$ (468,747)	\$ (459,523)	\$ (449,745)	\$ (439,380)	\$ (428,394)	\$ (416,748)	\$ (404,403)	\$ (391,318)	\$ (377,448)
Ending Balance	\$ 7,812,454	\$ 7,658,712	\$ 7,495,746	\$ 7,323,002	\$ 7,139,893	\$ 6,945,798	\$ 6,740,057	\$ 6,521,971	\$ 6,290,800	\$ 6,045,759
Net Operating Income	\$ 240,324	\$ 317,087	\$ 398,240	\$ 410,187	\$ 422,494	\$ 435,169	\$ 448,223	\$ 461,669	\$ 475,519	\$ 489,786
Debt Service Coverage Ratio	0.39	0.51	0.64	0.66	0.68	0.70	0.72	0.74	0.76	0.79

Financial Projections: Cash Spot, Concept 3

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Potential Gross Revenue	\$ 675,274	\$ 695,532	\$ 716,398	\$ 737,890	\$ 760,027	\$ 782,828	\$ 806,313	\$ 830,502	\$ 855,417	\$ 881,080
Vacancy Rate	25%	15%	5%	5%	5%	5%	5%	5%	5%	5%
Vacancy Loss	\$ (168,819)	\$ (104,330)	\$ (35,820)	\$ (36,895)	\$ (38,001)	\$ (39,141)	\$ (40,316)	\$ (41,525)	\$ (42,771)	\$ (44,054)
Effective Gross Revenue	\$ 506,455	\$ 591,202	\$ 680,578	\$ 700,995	\$ 722,026	\$ 743,687	\$ 765,997	\$ 788,977	\$ 812,646	\$ 837,026
Property Tax	\$ (65,953)	\$ (67,932)	\$ (69,970)	\$ (72,069)	\$ (74,231)	\$ (76,458)	\$ (78,752)	\$ (81,115)	\$ (83,548)	\$ (86,054)
Other Operating Expenses	\$ (200,178)	\$ (206,183)	\$ (212,368)	\$ (218,739)	\$ (225,301)	\$ (232,060)	\$ (239,022)	\$ (246,193)	\$ (253,579)	\$ (261,186)
Total Operating Expenses	\$ (266,131)	\$ (274,115)	\$ (282,338)	\$ (290,808)	\$ (299,532)	\$ (308,518)	\$ (317,774)	\$ (327,308)	\$ (337,127)	\$ (347,240)
Net Operating Income	\$ 240,324	\$ 317,087	\$ 398,240	\$ 410,187	\$ 422,494	\$ 435,169	\$ 448,223	\$ 461,669	\$ 475,519	\$ 489,786
<i>Resale Value @ Cap Rate:</i>										
6.50%	\$ 3,697,293	\$ 4,878,262	\$ 6,126,769	\$ 6,310,569	\$ 6,499,908	\$ 6,694,908	\$ 6,895,738	\$ 7,102,600	\$ 7,315,677	\$ 7,535,169
7.50%	\$ 3,204,321	\$ 4,227,827	\$ 5,309,867	\$ 5,469,160	\$ 5,633,253	\$ 5,802,253	\$ 5,976,307	\$ 6,155,587	\$ 6,340,253	\$ 6,530,480
8.50%	\$ 2,827,342	\$ 3,730,435	\$ 4,685,176	\$ 4,825,729	\$ 4,970,518	\$ 5,119,635	\$ 5,273,212	\$ 5,431,400	\$ 5,594,341	\$ 5,762,188
Debt Service	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)	\$ (622,489)
EBITDA	\$ (382,165)	\$ (305,402)	\$ (224,249)	\$ (212,302)	\$ (199,995)	\$ (187,320)	\$ (174,266)	\$ (160,820)	\$ (146,970)	\$ (132,703)
Cash on Cash Return	-11.21%	-8.96%	-6.58%	-6.23%	-5.86%	-5.49%	-5.11%	-4.72%	-4.31%	-3.89%
Cash on Cost Return	-3.36%	-2.69%	-1.97%	-1.87%	-1.76%	-1.65%	-1.53%	-1.41%	-1.29%	-1.17%

Developer Score Card

	Actual	Desired
Cash on Cash Return	-6.23%	6-10%
Cash on Cost Return	-1.87%	6-9%
Unleveraged IRR		
5-Year	-10.32%	15%
10-Year	-1.50%	12%
Leveraged IRR		
5-Year	N/A	20%
10-Year	N/A	15%